



2022 Manitoba Business Leaders Index



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Key Findings

Overall Economic Perspectives

- While a majority of Manitoba business leaders remain optimistic about Winnipeg's economic future, fully one-third are now very or somewhat pessimistic – a significant increase in pessimism compared to one year ago.
- When looking at their own businesses, however, a growing proportion of business leaders report they are better off financially today compared to one year ago (26% vs. 15% in 2021), with fully four in ten continuing to express optimism that they will be even better off at this time next year.
- There are several signs that more businesses are doing better today, including:
 - Three-quarters say they are fully open for business today, with fewer than one-quarter (23%, down from 40% in 2021) now indicating they are operating at a reduced capacity.
 - More than three in ten businesses report their sales are higher today than they were prior to the pandemic. On the other hand, roughly four in ten report their sales remain below pre-pandemic levels. Nearly one-quarter indicate little change in their revenues since early 2020.

Hiring Trends and Expectations

- There has been a significant spike in the number of businesses having difficulty finding skilled workers – which tends to be a barometer of robust economic activity. Today, more than six in ten companies (especially larger firms) are having difficulty recruiting skilled employees, compared to fewer than four in ten at this time last year.
- More than one-third of Manitoba business leaders expect to hire more staff in the coming year, with a miniscule four per cent expecting to lay off staff or reduce hours in the next six months. While about four in ten business owners and managers report they laid off staff during the pandemic, nearly nine in ten expect to re-hire during the next 12 months – including one-half who expect to re-hire all the staff they may have lost due to COVID-19.

About the MBLI

The Manitoba Business Leaders Index is an annual scientific survey of senior business officials from across the province. The survey sample includes a stratified sampling of CEOs, presidents, business owners and designated senior corporate officers from small, mid-sized and large commercial establishments as defined by Statistics Canada and the Manitoba Bureau of Statistics. This business sampling includes publicly traded and private companies from all major sectors of Manitoba industry.

Business listings have been developed based upon the most authoritative and up-to-date sampling sources available including various telephone directories.

Survey Instrument

The survey instrument was designed by Probe Research in close consultation with Economic Development Winnipeg (EDW).

Methodology

Method

Probe Research conducted a survey of 203 business owners and managers located throughout Manitoba between February 9 to 23, 2022. Respondents were contacted via telephone and completed the survey via telephone with a live interviewer or via a secure online survey link.

Sample

The survey sample was stratified to ensure representation from small enterprises (1-9 employees), medium-sized companies (10-49 employees) and large businesses (50+ employees). Quotas were also set based on the regional location of respondents as well as by business sector (services, manufacturing, resources). The sample does not include government departments/agencies, representatives of other public sector entities or not-for-profit organizations.

With a sample of 203 one can say with 95 percent certainty that the results are within ± 6.9 percentage points of what they would have been if all private-sector business owners/managers in Manitoba had been surveyed. The margin of error is higher within each of the survey's population sub-groups.

All data analysis was performed using SPSS statistical analysis software.

Totals may not add to exactly 100% due to rounding.

Profile of Respondents

(Base Size)	Total (N=203) (%)	Winnipeg (n=113) (%)	Rural/Northern (n=90) (%)
Executive Gender			
Male	74	74	74
Female	26	26	26
Company Size			
Small (<10 employees)	39	37	42
Medium (10-49 employees)	36	37	36
Large (50+ employees)	24	26	22
Sector			
Services	78	79	78
Manufacturing	16	17	14
Resources	6	4	8
Region			
Winnipeg	56	100	-
Rural/Northern	44	-	100
Unionized Business			
Yes	10	11	10
Indigenous Business			
Yes	7	5	10

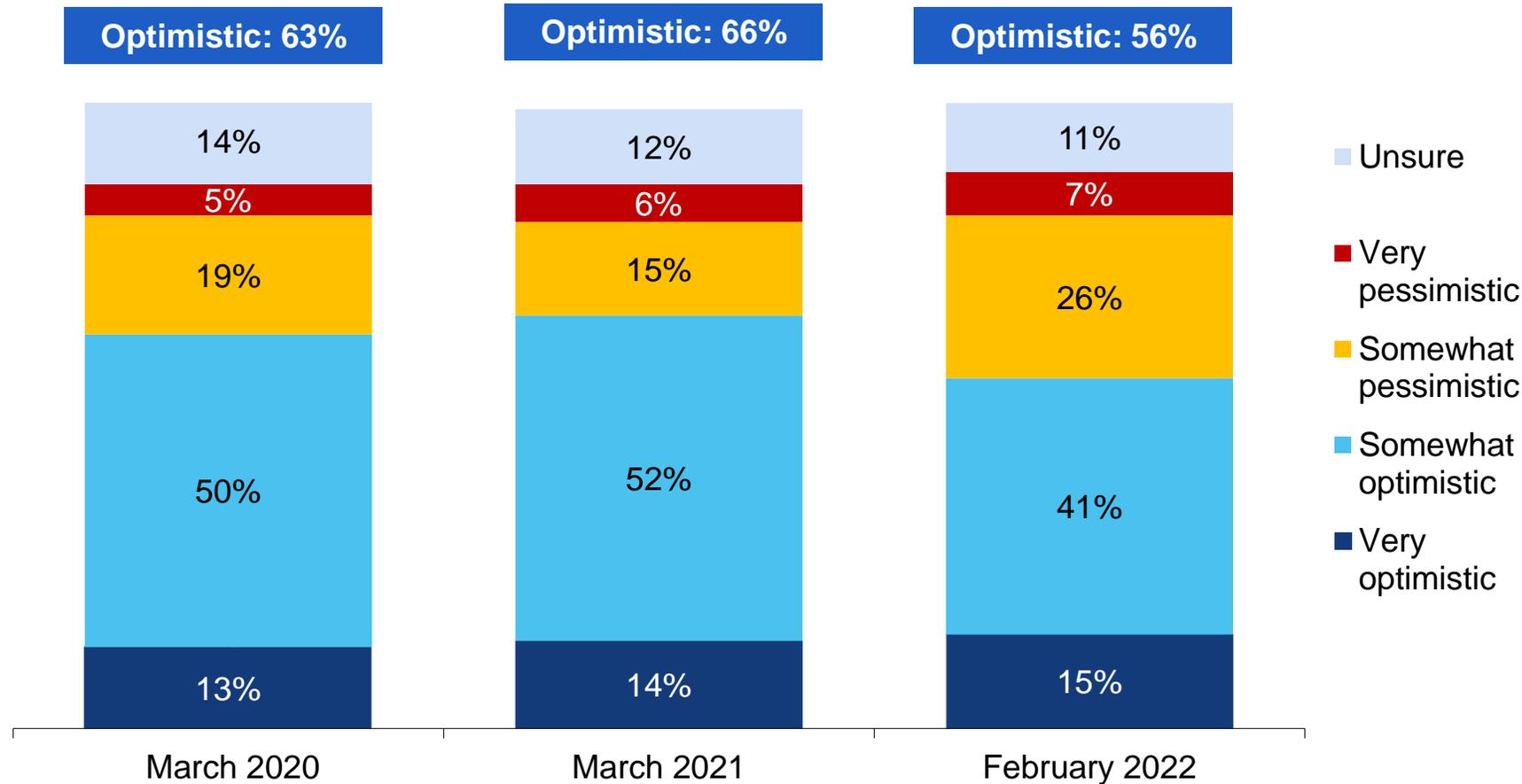
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Core Business Metrics

Confidence in Winnipeg's Economic Future

One-third of business leaders are now pessimistic about Winnipeg's future



- Unsure
- Very pessimistic
- Somewhat pessimistic
- Somewhat optimistic
- Very optimistic

Those most likely to be optimistic about the future of Winnipeg include:

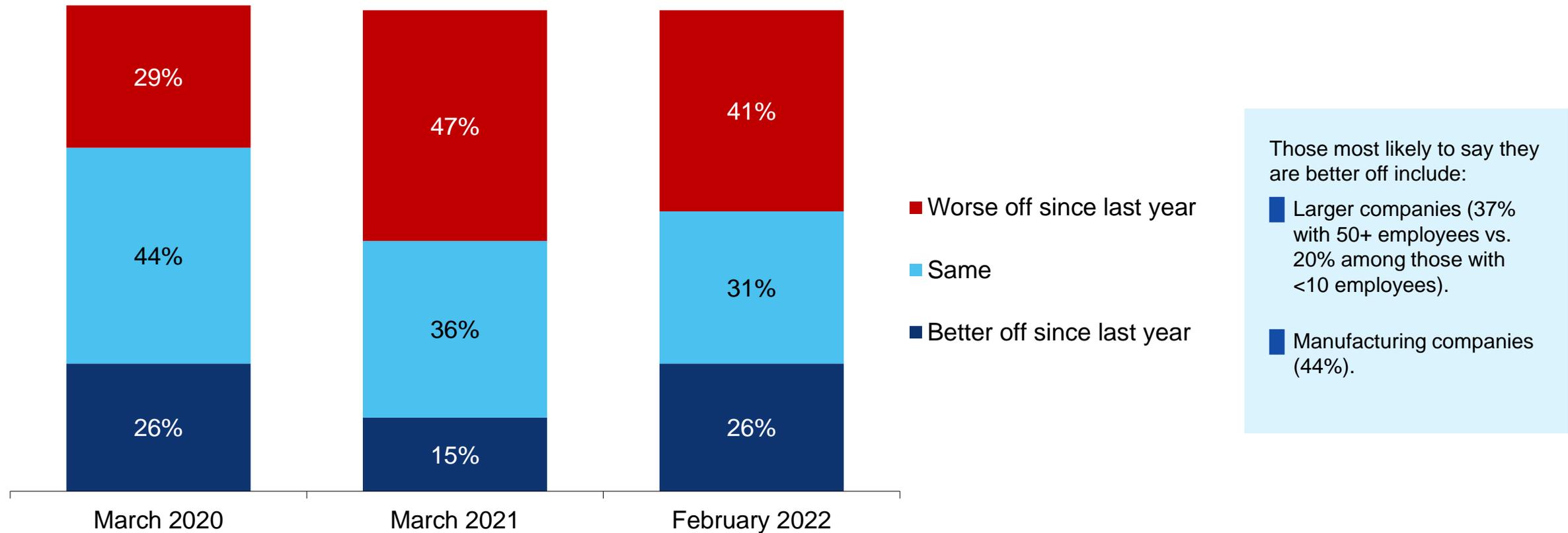
- Larger companies (71% among those with 50+ employees vs. 51% among those with <50 employees).
- Those located in Winnipeg (64% vs 47% outside of the city).

EDW3. Thinking about the economy: Are you optimistic or pessimistic about the economic future of Winnipeg?

Base: Manitoba business leaders (N=203)

One Year Financial Retrospective

One-quarter of business leaders now say they are better off than they were last year

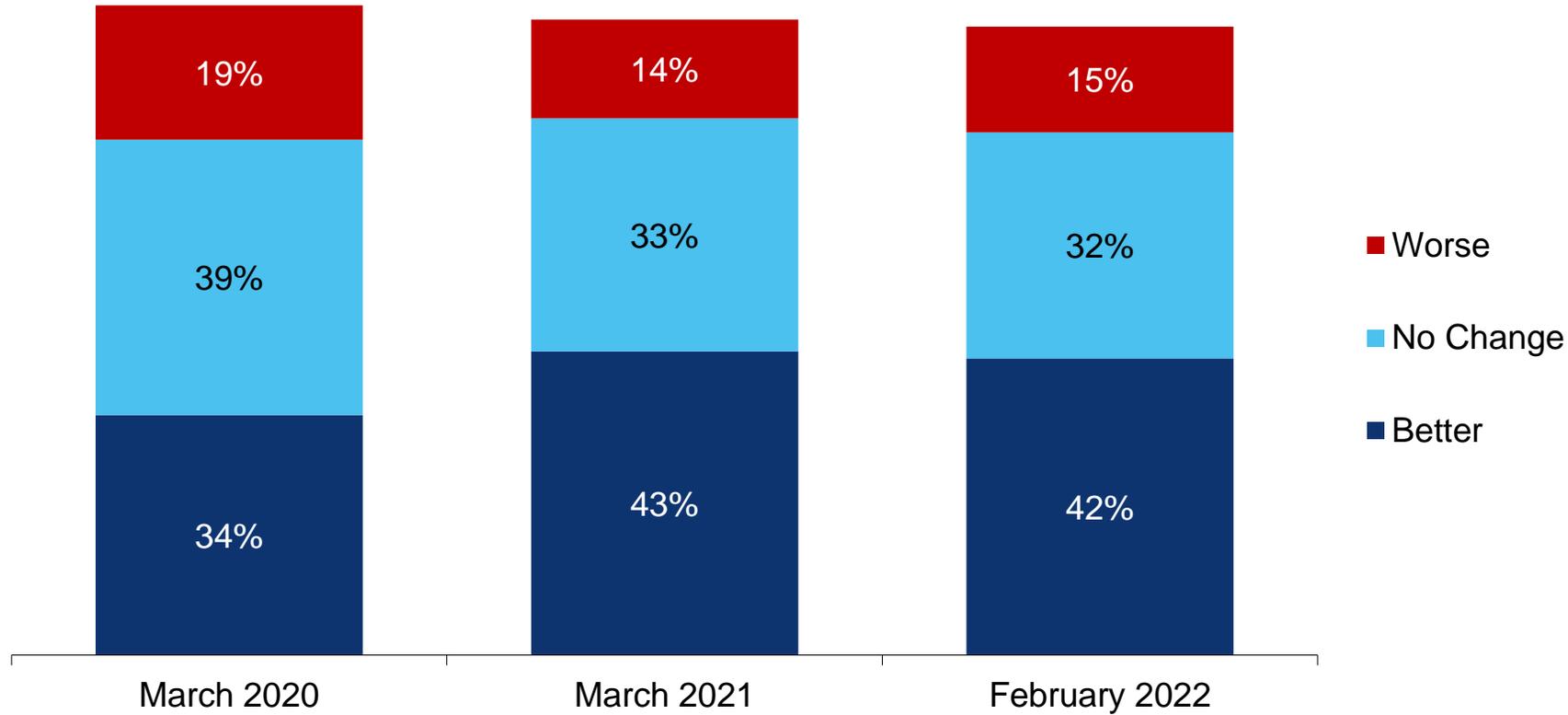


EDW1. Would you say that you and your business are better off, worse off, or just the same financially as you were a year ago?

Base: Manitoba business leaders (N=203)

Financial Forecast

Four in ten business leaders remain optimistic about the coming year



Those most likely to feel their business will be better off a year from now include:

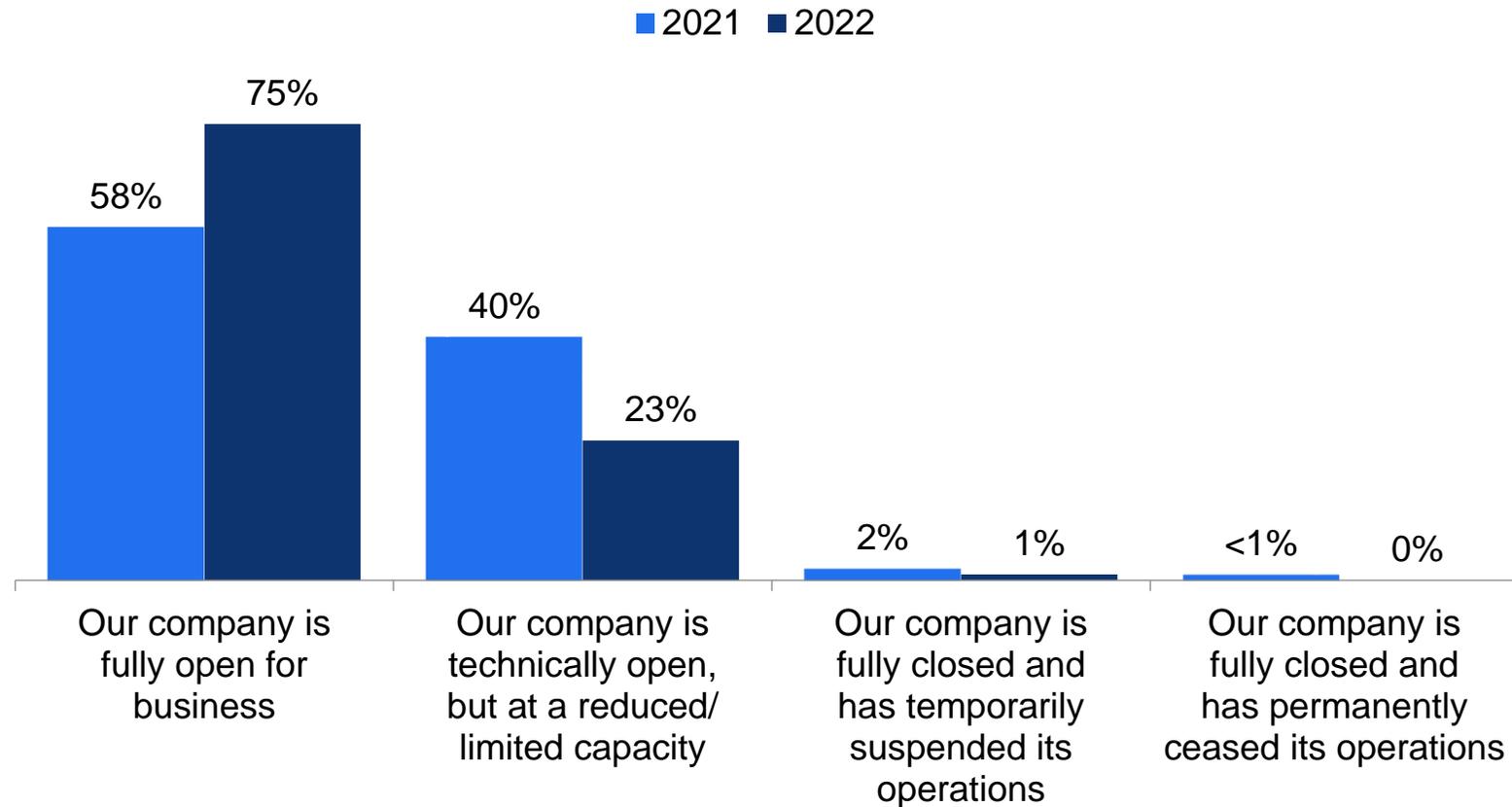
- Those located in Winnipeg (48% vs 34% among those in rural/northern Manitoba).
- Medium-sized companies (47% with 10-49 employees vs. 37% among 50+ employees).

EDW2. Now looking ahead, do you think that a year from now your business will be better off, worse off, or just the same financially as you are today?

Base: Manitoba business leaders (N=203)

Operational Status of Manitoba Businesses

Three-quarters of businesses are fully back in business



Those that are more likely to still be operating at a reduced capacity include:

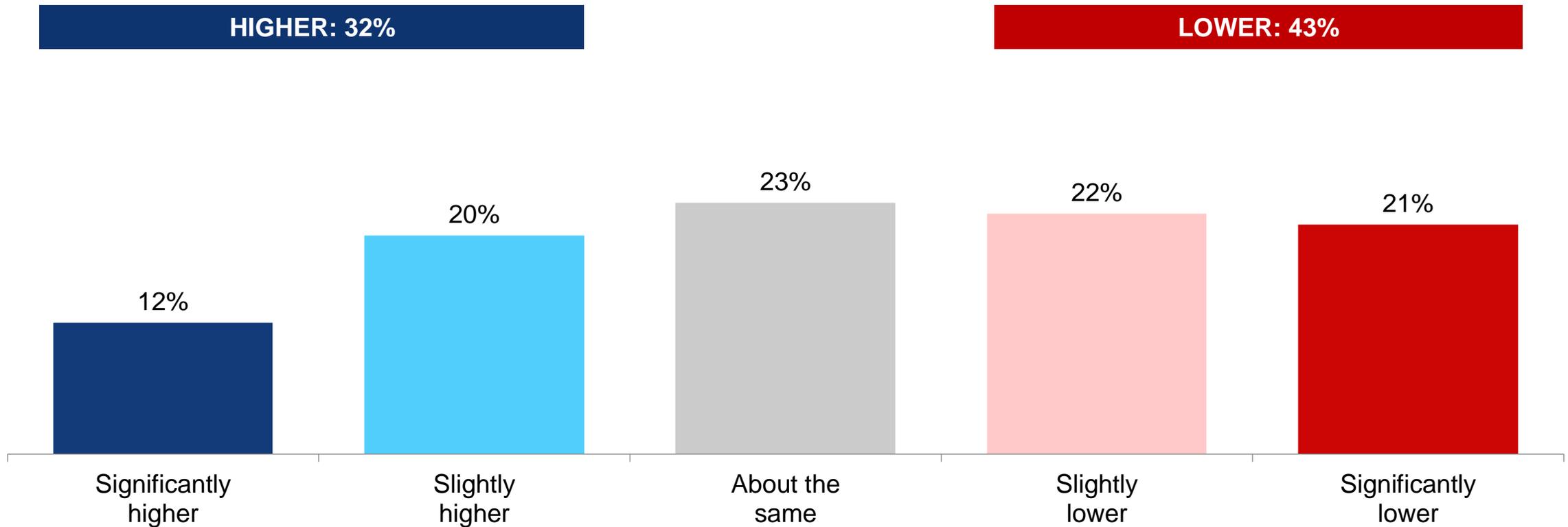
- Winnipeg-based companies (27% vs. 18% among those in rural/northern Manitoba).
- Service companies (25% vs. 13% among manufacturing firms).

C1a. Which one of the following statements best describes your current business situation?

Base: All respondents (N=203)

Comparison of Sales vs. Pre-Pandemic

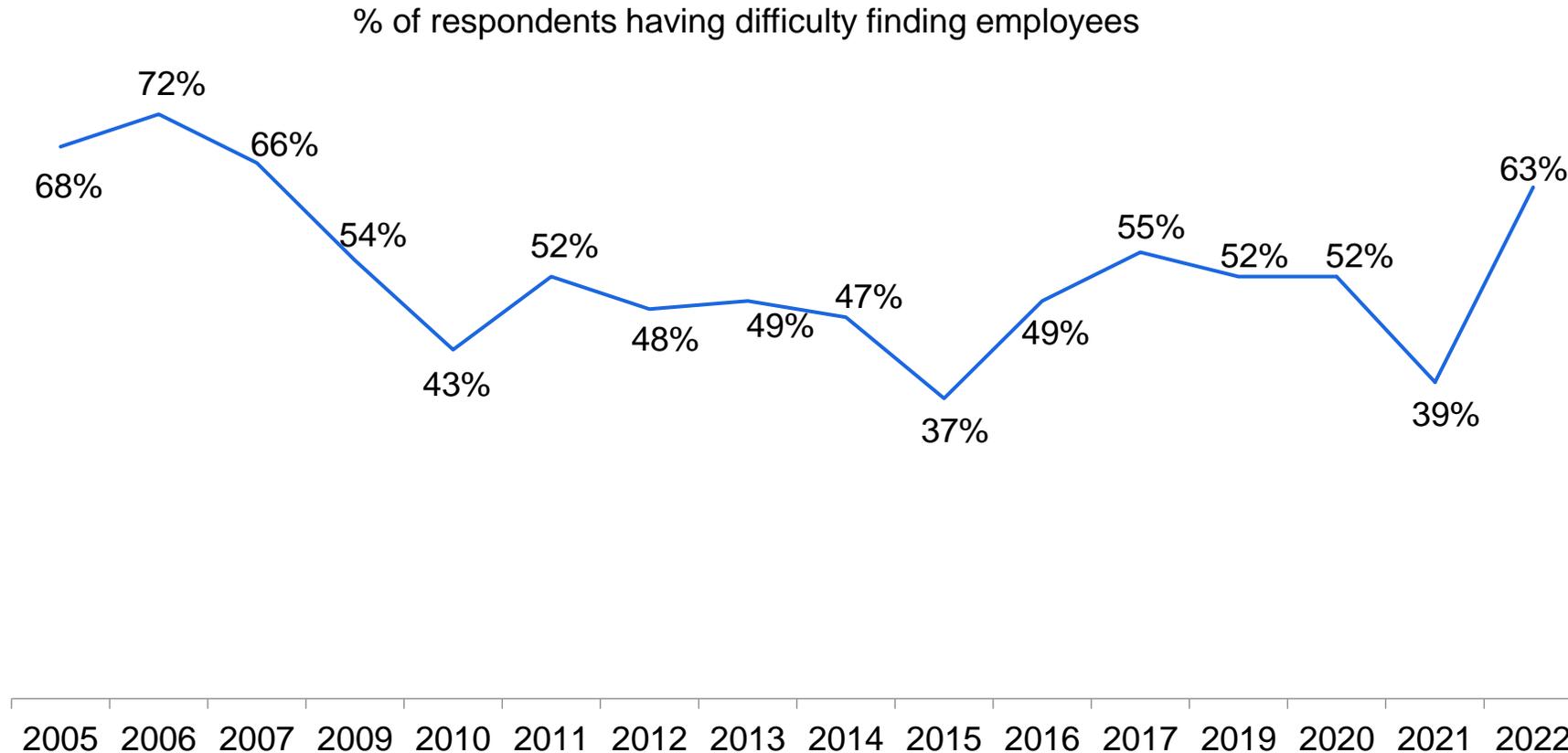
More than four in ten are bringing in less revenue now, with one-third reporting higher sales



C1b. And compared to before the pandemic, would you say your company's current sales are

Difficulty Finding Qualified Employees

Proportion of firms now having trouble finding skilled workers skyrockets over past 12 months



Those having more difficulty finding skilled workers include:

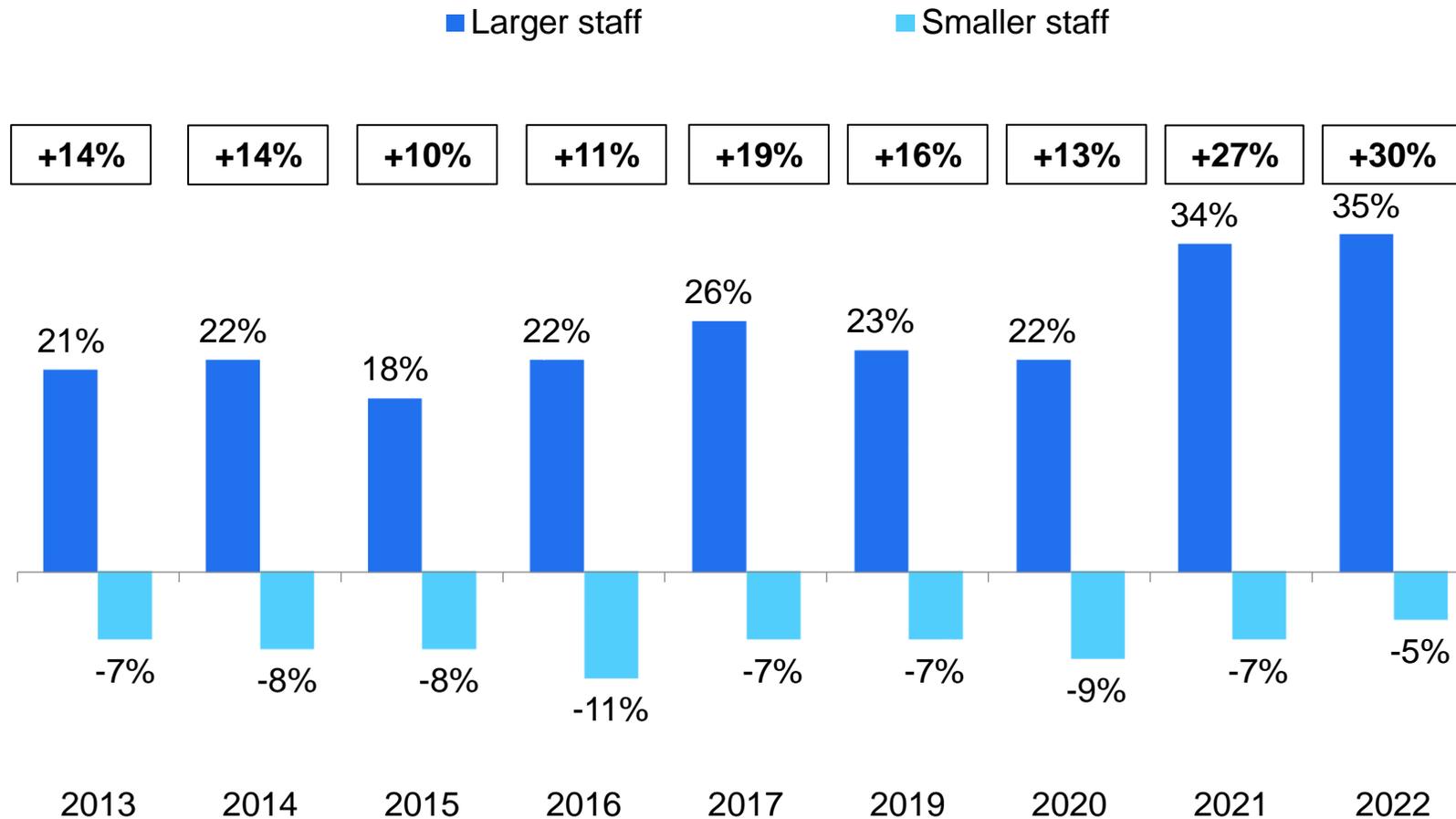
- Those in rural/northern Manitoba (70% vs. 57% among those in Winnipeg).
- Larger and medium-sized firms (82% among those with 50+ employees and 74% among those with 10-49 employees vs. 40% among those with <10 employees).

C9. In the past year, have you had any difficulty finding qualified new employees with relevant skills?

Base: All respondents (N=203)

Expectations of Increasing Staffing

More than one-third of businesses expect to hire more employees in the coming year



Those most likely to **expect to hire additional staff** include:

- Larger firms (43% with 50+ employees vs. 23% among small firms with <10 employees).

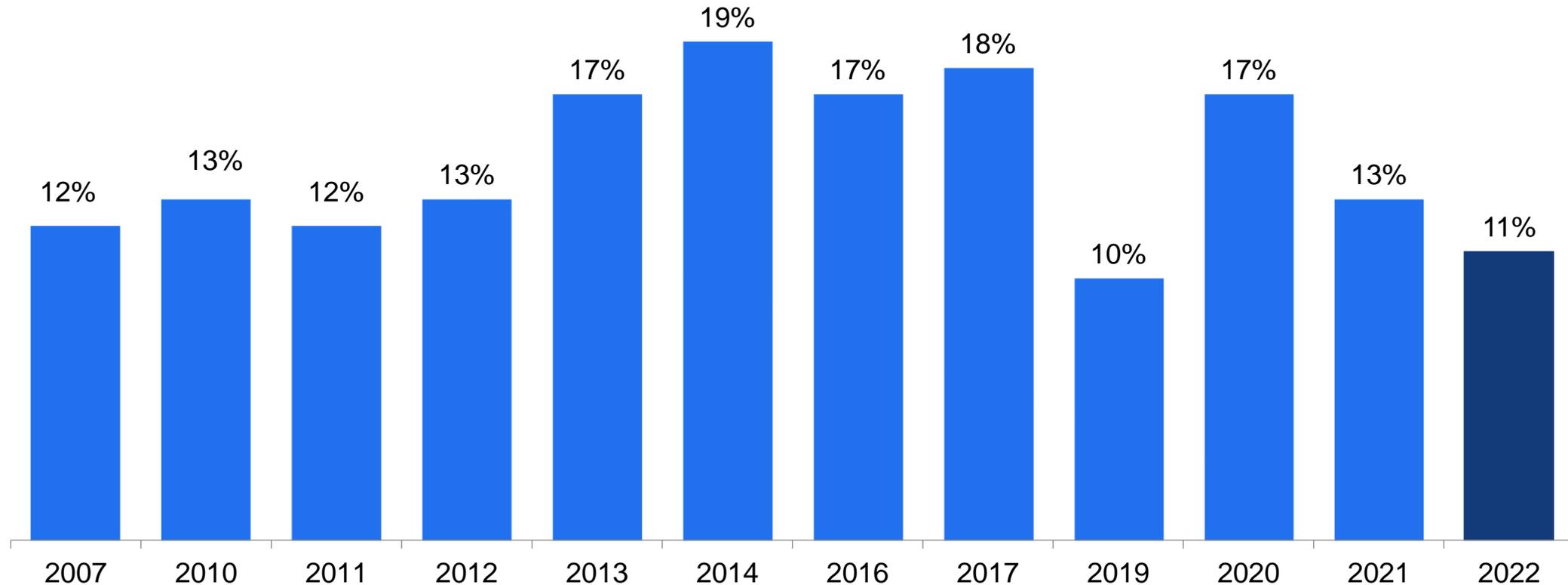
C10. Thinking about 12 months from now, do you expect that the number of people employed by your company in Manitoba will be larger than at present, will you have fewer staff, or do you think your total Manitoba staff will be about the same as it is today by this time next year?

Base: All respondents (N=203)

Expectations of Layoffs

Few expect to lay off staff or reduce employees' hours in the next six months

% of respondents who intend to lay off staff or reduce employee hours

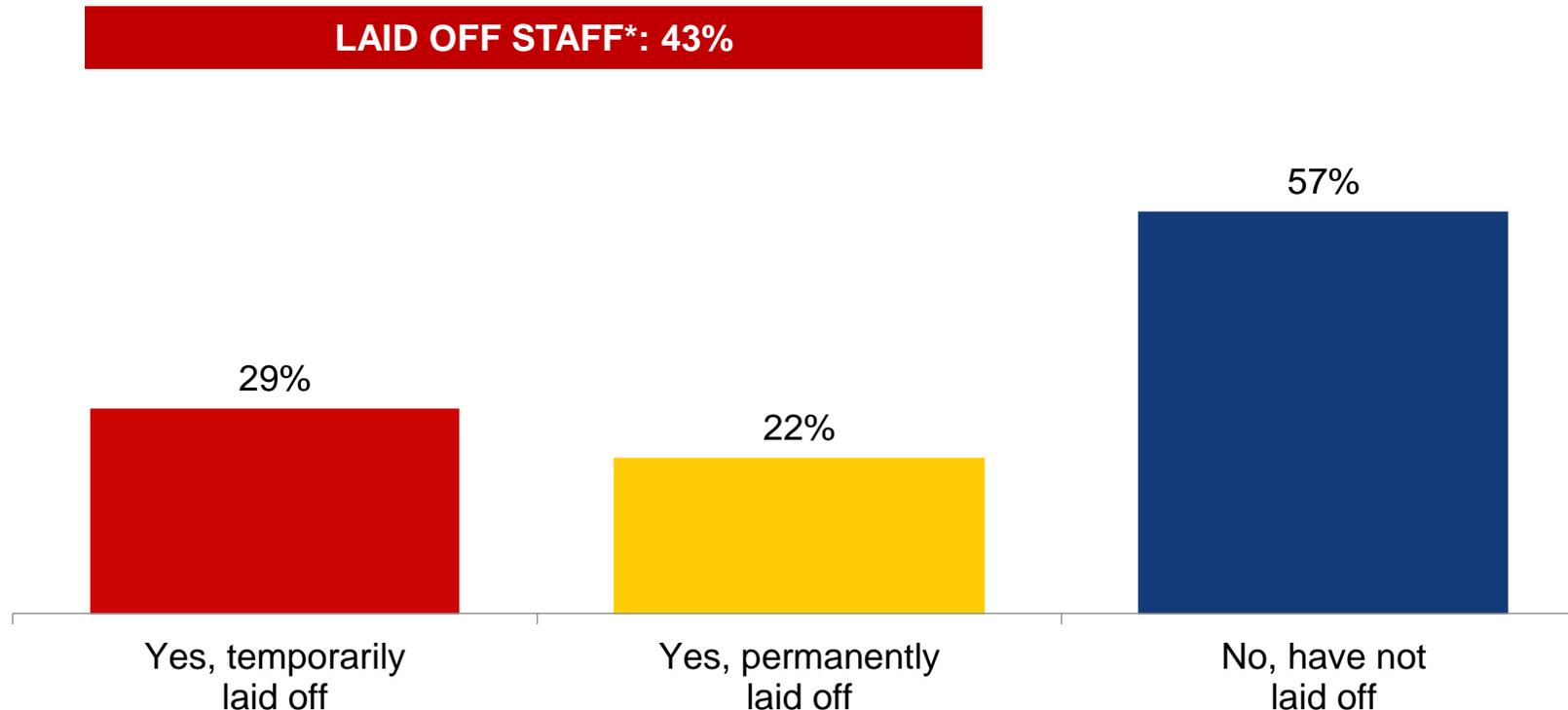


C11. Are you anticipating a need to have layoffs or a reduction in working hours for your staff during the next six months?

Base: All respondents (N=203)

Staffing Changes Since Pandemic Began

Nearly six in ten have not had to lay off any staff since the pandemic began



■ Winnipeg based companies are more likely to have laid off staff during the pandemic (48% vs. 37% among those in rural and northern Manitoba).

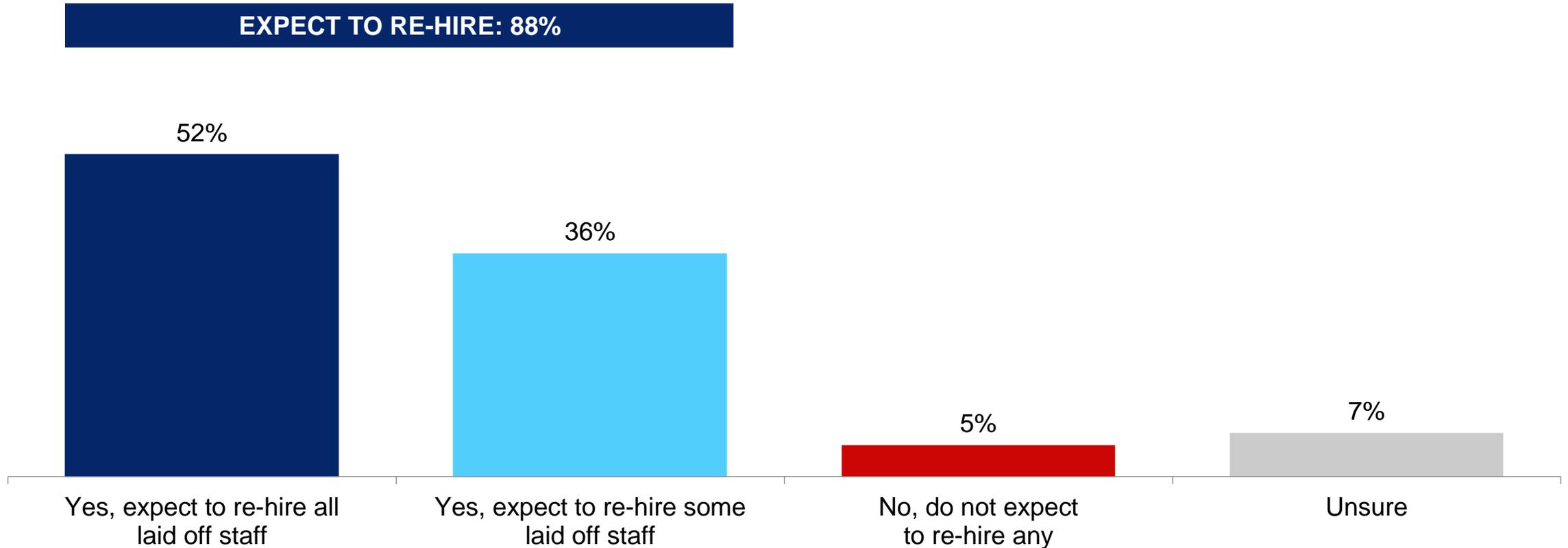
C2. Have you temporarily or permanently laid off staff since the pandemic began about two years ago?

*Multiple mentions accepted – includes those who have permanently and/or temporarily laid off employees

Base: All respondents (N=203)

Expectations to Re-Hire Laid Off Staff

Most who laid off employees expect to bring all – or at least some – back



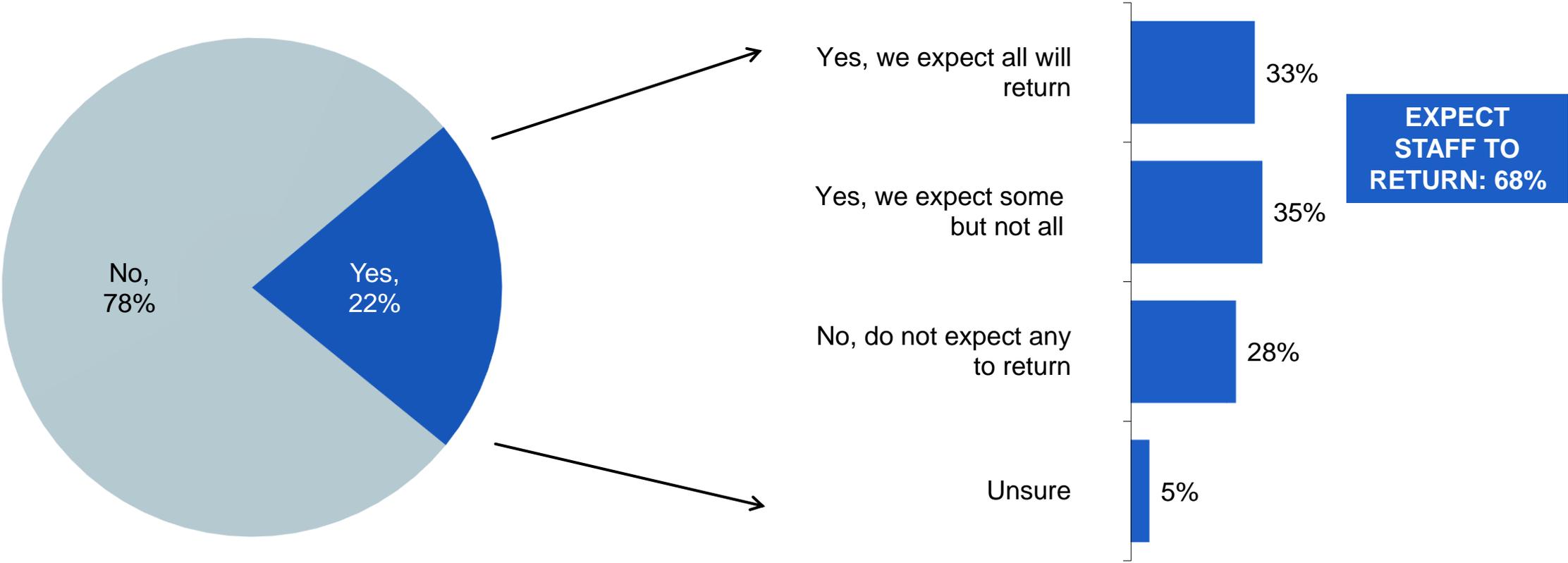
C3. Do you expect that you will re-hire all or some of these laid off staff members in the next 12 months?

Base: All respondents who temporarily or permanently laid off staff (n=58)*

*Caution: Small base size

Expectations of Staff Returning to Office Post-Pandemic

One in five have staff working from home; two-thirds expect them to return at least some of the time



C4. Do you have any staff that are currently working from home who previously worked in an office or commercial space leased or owned by your company?

Base: All respondents (N=203)

C5. Do you expect to have these staff members who are currently working from home return to your office or commercial space once the pandemic has passed?

Base: All respondents with staff working from home (n=43)*

*Caution: Small base size